

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA**

UNITED STATES OF AMERICA

*** CRIMINAL DOCKET NO.**

VERSUS

*** SECTION:**

**BRENDA JEFFERSON
a/k/a BRENDA FOSTER**

*** * ***

FACTUAL BASIS

The government and the defendant, Brenda Jefferson, a/k/a Brenda Foster, do hereby stipulate and agree that the following facts set forth a sufficient factual basis for the crime to which the defendant is pleading guilty and if this case had gone to trial, the government would have proven the following, among other things, beyond a reasonable doubt through competent evidence and tangible exhibits:

The defendant moved from Lake Providence, Louisiana, to New Orleans, Louisiana, in approximately 1993 and began working for her sister Betty Jefferson, brother Mose Jefferson and other family members. The defendant had completed high school, but had no particular training or skills. Consequently, the defendant relied completely on Betty

Jefferson, Mose Jefferson and other family members for employment doing secretarial work, such as typing, filing and answering the phone. From the mid 1990's to shortly after Hurricane Katrina, Betty Jefferson and Mose Jefferson operated various non-profit corporations out of 936 Jackson Avenue, New Orleans, then 2103 Louisiana Avenue, New Orleans, Louisiana, then 3313 South Saratoga Street, New Orleans, Louisiana and 4122 Eve Street, New Orleans, Louisiana.

At all times, Betty Jefferson controlled the non-profit corporations Care Unlimited, Inc. ("Care Unlimited") and Central City Adult Education Agency, Inc. ("Central City"), and Mose Jefferson controlled Orleans Metropolitan Housing & Community Development, Inc. ("Orleans Metro") (hereinafter collectively referred to as the non-profits). Betty Jefferson's daughter, Angela Coleman, was chairman of the board of Care Unlimited. The defendant did whatever work for these non-profits she was instructed to do by Betty Jefferson, Mose Jefferson and Angela Coleman. From approximately 1998 to present, the defendant received a total of approximately \$90,000 in payments from these non-profits.

In order to obtain grant funds from the State of Louisiana for the Care Unlimited Bridge Program in fiscal year 2004-2005, Betty Jefferson provided to the defendant the information to put on the state grant application and instructed the defendant to type the information, sign and mail the grant application to the State of Louisiana. Additionally, the defendant took the information Betty Jefferson had given her to put into the proper format for

the quarterly reports which the defendant then mailed to the state at Betty Jefferson's direction. The reports were sent to notify the State on how the grant funds had been spent.

Specifically, on quarterly report dated February 28, 2005 for the Care Unlimited Bridge Program, Betty Jefferson provided the information to the defendant for the defendant to fill in on the quarterly form. The information Betty Jefferson gave to the defendant stated that Individual C had provided certified teachers who had tutored twenty-five pregnant teenagers. Betty Jefferson and Angela Coleman, as well as the defendant, knew that Individual C did not work for the Bridge Program, had never worked for any non-profit and did not know anything about the teachers tutoring the teenagers. Despite this knowledge, the defendant and Angela Coleman signed this report and mailed it to the state. The defendant knew that the information she received from Betty Jefferson was false and fraudulent and did not report this to appropriate authorities and by this action, the defendant, Betty Jefferson and Angela Coleman committed overt acts to conceal the mail fraud from appropriate authorities.

After Hurricane Katrina, on approximately August 18, 2006, Betty Jefferson gave the defendant a list of names to send to the accountant for the accountant to write checks from \$36,213.55 in grant funds which had been received from the state on approximately August 17, 2006. Betty Jefferson told the defendant how much money to put next to each person's name on the list. The defendant sent the list to the accountant despite knowing that Individual R did not work for any non-profit before Hurricane Katrina and that the information Betty Jefferson gave the defendant regarding \$3,724 being owed to Individual

R was false. Individual C's name was on the list to receive \$4,007.99. Betty Jefferson, Angela Coleman and the defendant knew Individual C did not work for any non-profit before Hurricane Katrina and was not owed any money.

In order to receive funding by the State of Louisiana of \$178,000 in grant funds to Care Unlimited Project Chance for fiscal year 2001-2002, Betty Jefferson instructed the defendant to sign Individual N's name on the grant application and on all the subsequent reports filed with the state. The defendant knew that the information she received from Betty Jefferson was false and fraudulent and did not report this to appropriate authorities and by this action, the defendant and Betty Jefferson committed overt acts to conceal the mail fraud from appropriate authorities. At the time Betty Jefferson told the defendant to send in the reports, she knew that Individual N was not acting as the executive director and that it was not right to sign his name on the reports.

On approximately September 11, 2002, Mose Jefferson instructed her to open a checking account at Liberty Bank with herself and Mose Jefferson's handyman as the only signers. This was the account in which the state deposited \$93,456.76 in state grant funds for Care Unlimited Project Chance. On or about July 14, 2000, Mose Jefferson also had the defendant open a checking account at Liberty Bank which only she and Individual N has signatory authority. Mose Jefferson instructed her to fill out and sign checks as he directed. She had no control over the checkbook.

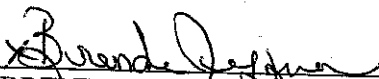
Analysis of the bank records of the Care Unlimited Bridge Program bank account at Bank One (Bridge Program BO865) from on or about November 5, 2003 through on or about July 5, 2005, into which the federal and state funds were deposited, reflects that approximately twenty-three checks were made payable to the defendant Brenda Foster totaling approximately \$25,302. These checks were signed by Betty Jefferson or Angela Coleman. These twenty-three checks were deposited into Betty Jefferson and/or Angela Coleman's personal bank account, business accounts, credit card accounts and used for their mortgage payments. A Special Agent of the Federal Bureau of Investigation showed the defendant approximately fifteen checks of the twenty-three checks made payable to her. These fifteen totaled approximately \$14,547. The defendant reviewed the backs of the checks and determined that the signature on the back was not hers and that she did not receive any of the funds. The defendant did not give Betty Jefferson and Angela Coleman permission to use her name, nor did she owe them the money represented on the checks. Until she was shown these checks, the defendant had no knowledge that Betty Jefferson and Angela Coleman were using her name to funnel money to their personal bank account, business accounts, credit card accounts and for their mortgage payments.


The government's evidence thus would show that while the defendant Brenda Jefferson knew of the fraudulent scheme and even received proceeds from it, she participated primarily at the direction and behest of the above mentioned individuals.

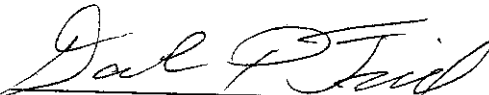
In conclusion, the defendant had knowledge of a conspiracy between Betty Jefferson, Angela Coleman and Mose Jefferson to obtain grant funds through fraudulent means, did not


report it to the appropriate authorities and by her actions committed overt acts to conceal the fraud.

The above evidence comes from the investigation conducted by the Federal Bureau of Investigation, Department of Education, Office of Inspector General and Internal Revenue Service, Criminal Investigative Division, records subpoenaed before a grand jury and from the confession of the defendant.

 6-18-08-
BRENDA JEFFERSON (Date)
Defendant

 6-18-08-
ROBERT JENKINS, ESQ. (Date)
Attorney for the defendant

 6-18-08
DANIEL P. FRIEL (Date)
Assistant United States Attorney

 6-18-08
DOROTHY MANNING TAYLOR (Date)
Assistant United States Attorney